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**PRESS ADVISORY**

No. 256-P  
November 9, 1994

Secretary of Defense William J. Perry and Chairman of the Joint Chiefs of Staff Gen. John M. Shalikashvili will announce Quality of Life initiatives at a briefing, 10:30 a.m., Thursday, Nov. 10, 1994, in the Pentagon, Room 1E805. This briefing will be in lieu of the regularly scheduled Department of Defense Press Briefing.

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SECRETARY OF DEFENSE WILLIAM J. PERRY  
 SPECIAL BRIEFING ON QUALITY OF LIFE INITIATIVES IN THE MILITARY, WITH  
 GENERAL JOHN SHALIKASHVILI, CHAIRMAN, JCS  
 PENTAGON  
 NOVEMBER 10, 1994

SEC. PERRY: Let me start off by sharing with you my conviction that the U.S. military forces today are at a high level of capability, morale and readiness. That conviction is based not only on observing them carefully in the field and at their bases over the last number of months, but also on their demonstrated performance. This level of capability results from realistic training, quality equipment and meaningful missions. All of these things are necessary to sustain the readiness of the forces. But sustaining them over the longer term not only requires keeping those foundations alive, but also has to take into account personnel tempo and the quality of life we offer our men and women in the armed forces.

Today I'm here to talk about some actions we are taking to ensure that we maintain a high quality of life for our changing force over the next decade and beyond. Quality of life supports readiness in three ways. First, it helps us to retain the best people, well-trained people, people who are confident of their skills and who have high morale. Second, the quality of life enables people to go on deployments with the assurance that their families will be taken care of, a particularly important factor with our more mature and family-oriented all-volunteer force. And third, quality of life helps us recruit good people, especially through word of mouth from those already in the services.

No weapon system is better than the people who operate and maintain it and, therefore, in our allocation of resources we put people first in our priorities. In doing this, we make judgments about the quality of life needs of our personnel, both by surveys and by anecdotal reports. But for the most direct reporting on this problem, I rely on some of the individuals I brought here with me today: Ed Dorn, who is our undersecretary of Defense for Personnel and Readiness. General

Shalikashvili, and five individuals not so well known to you, but who hold absolutely essential positions within the uniformed services and who serve as my advisory committee on life in the services. These are our senior non-commissioned officers of the military services, and I'd like to introduce them to you today. Richard Kidd, the sergeant major of the Army. Richard, can you stand up, please? David Campanale, the chief master sergeant of the Air Force. John Hagan, the master chief petty officer of the Navy. Eric Trent, master chief petty officer of the Coast Guard. And Gene Overstreet is the sergeant major of the Marine Corps. He's off on a trip and today he is represented by Sergeant Major Sam Albert Wilson. In introducing Sergeant Wilson -- Sergeant Major Wilson, I'd also like to take the opportunity to wish the Marine Corps a happy birthday. This is their 219th birthday, and for those of you who are quick at arithmetic you will understand that the Marine Corps has been in existence one year longer than the United States.

Now, the senior NCOs are my practical, street smart guides as I look at the interaction between budget, program, morale, and readiness. They are the ones who can best advise me how the blend of equipment, training, quality of life, personnel tempo and readiness are playing out in the force. The message I have heard from them and from my visits to installation to troops in the field, and troops on deployment, is that we have the highest quality force in our nation's history. But there are stress points that -- both in the reports of the senior NCOs and from my own observations -- need to be addressed if we want to maintain that quality on into the future. That's what I refer to as medium term readiness.

Now the drawdown has caused many service members question their long-term commitment and the prospect of a full career. The turbulence of consolidations and base closures has disrupted assignments and family life. Fighter squadrons in Europe have been moved from base to another and then immediately forward deployed to Turkey before families were settled. And a high operational tempo has put an extra strain on selected units. We are all aware of cases such as the heavy deployment rate for the AWACS, and the double -- dual deployment which occurred with the Inchon.

One quick snapshot statistic. On September 30, 1994, the number of Air Force personnel deployed away from home units was four times higher than five years ago -- September 30, 1989. What was unusual five years ago has become the norm today.

Added to the normal stress endured by the military and their families in modern American life, these pressures, if not addressed, could undermine the readiness of the force. Today I am announcing an initiative to address some of these needs in areas where we see real or potential future problems. It involves both a commitment of money and resources, as well as an intellectual effort to make sure we fully understand the problems faced by our changing force.

First, we have made a series of budgetary decisions that will recommend putting \$450 million a year over the

next six years into quality of life programs over and above what the services already had budgeted. That amounts, then, over a six-year period, to a commitment of \$2.7 billion. This money will go into a variety of programs, including barracks, upgrading and building new family housing, making off-base housing more affordable for our personnel through an increased basic allowance for quarters, increasing access to childcare facilities and a cost of living adjustment for continental-U.S.-based personnel, which will provide general help to those stationed in high-cost areas.

For 1996, we've already made decisions on where to allocate the money in my recommended budget. For the out years, we are allocating the appropriate amounts to carry these programs forward, but we will review the details of the program during the next year and make appropriate adjustments. I expect continuity to be important, because you can only have an impact on such problems as housing if you keep up the effort over a series of years.

The second part of the initiative is the formation of two working groups to examine quality of life issues and come up with solutions. The first group will be a task force of outside experts, headed by Jack Marsh, former secretary of the Army. Jack is here with us today. Jack, would you stand, please? It will operate under the auspices of the Defense Science Board. The task force will include people with recognized expertise in military service issues, plus key subject areas such as housing and finance. We have not completed the final list yet, but I expect it to include a broad range of expertise, since this body will be asked to look for unusual, creative and cost-effective solutions.

While I will also ask the task force to comment on the decisions we are making to allocate additional funds, its primary charter will be fourfold. First of all, to identify budget actions that can improve quality of life -- pardon me, to identify off-budget actions that can improve quality of life. In particular, we're looking at initiatives where -- for providing new base housing with non-appropriated funds, or new base services. It will identify ways of improving personnel tempo, such as making more extensive use of the guard and reserve in overextended military specialties. It will explore setting DOD-wide standards for components of quality of life -- for example, housing -- and it will identify high leverage items for use of appropriated funds to improve quality of life. And an example of that are the self-help programs already underway at many bases.

I have discussed this initiative with both the service secretaries and the service chiefs, and based on their recommendations, the charge to the group will be to generate practical ideas that can be quickly implemented rather than issuing reports. Consistently with that, we are creating a second group. I'm calling it an executive committee because I want it to execute the recommendations that come out from this task force. This executive committee will be headed by Fred Pang, assistant secretary of defense for force management

policy -- Fred, will you stand up, please? -- and Josh Gotbaum, assistant secretary of defense for economic security -- Josh -- and Alice Maroni, the deputy comptroller. In addition to that, there will be a representative from each of the services on this executive committee.

This executive committee will serve as an action body supporting the task force, implementing budget decisions and surfacing new ideas from both inside and outside the system. Both the executive committee and the task force will report to me on a regular basis.

As a final note, I want to say that I have no intention of reducing the commissary benefit. This has been a matter of much speculation, and I would like that speculation to end on a conclusive note. Commissaries are one of the highest-rated benefits in all of our quality-of-life surveys, so therefore, while we will seek to maximize cost effectiveness, we will maintain the value of that benefit while we seek to improve the service.

I'd like to now turn the podium over to General Shalikashvili, and then he and I and the other group here will be available to answer some of your questions. John?

GEN. SHALIKASHVILI: Thank you very much, Secretary Perry. I am, of course, very pleased to be here, for, as you might expect, the Joint Chiefs, the CINCs and I applaud very strongly those actions that Secretary Perry just announced.

From the very first moment when we undertook the downsizing and restructuring of our armed forces, we have continually emphasized that we cannot jeopardize the backbone of our armed forces, the core of military excellence -- our people. The quality-of-life actions that Secretary Perry has just announced show that this is not merely a sentiment but it is a conviction.

Today more than ever before, our armed forces are very heavily engaged. We ask for great sacrifices from our men and women in uniform and from their families, and they have never failed to respond. Even as I speak, many thousands of our men and women are in fact deployed on a number of very major operations around the world, very often operating in harm's way, and even as countless others are performing the more routine missions here and abroad to protect our nation's interest. Therefore, I am very pleased with the steps taken today, steps that will lead to very real improvements in the quality of life for members of our armed forces.

And I want to once again thank Secretary Perry for his support in these matters, and, of course, our senior enlisted advisers here for surfacing the views and concerns that helped lead to these decisions.

But most importantly I want to emphasize, as Secretary Perry has expressed so well, that our commitment to our people cannot be just a series of temporary measures. It must be a long-term, sustained commitment that has the continuing support of us all.

The Joint Chiefs of Staff and I look forward to working with both of those task forces announced today on additional ways to improve the quality of life for the

men and women in uniform and for their families. After all, it goes without saying that people are key to readiness. They are the foundation of our joint war-fighting capability. And no single investment we make is more important than the investment in our people. And today's actions are the right steps to ensure that we maintain the superb force well into the next century.

And thank you very much. And with that -- Mr. Secretary -- I think we are ready for your questions.

Q: Mr. Secretary, I might ask you a question on -- this \$450 million does not loom large in the overall defense budget, but the Pentagon -- the Republicans are now in control of Congress and have already indicated that they plan to sharply increase defense spending. Do you support such an increase, given the fact that the government can't afford what it now spends on defense and you yourself are sharply cutting programs for the 1996 year?

SEC. PERRY: I'm not making any assumptions at this point about increases in the top line of the Pentagon budget. We will meet with the new committee chairmen and get their views and their programs. I would like to point out, though, that the -- defense more than any other issue has been dealt with in the Congress and in the administration from a strong bipartisan point of view. Almost always when I meet with committee chairmen, I meet also with the -- have met also with the ranking Republican. And when we have -- we often have planning meetings, informational meetings with the Congress in which we include what we call the Big Eight, which are the chairman and the ranking Republican of each of the four committees which we work primarily with. So we have worked very closely with the Republicans as well as the Democrats on these committees, and they have worked well with each other. So I don't have any basis as I stand here for seeing a discontinuity in decisions or judgments about support for our defense program, and I'm proceeding forward as if the program that we have put together is the -- I am proceeding forward with the program we have put together and we plan to present that to the president and to the Congress in the form in which we had already planned.

Q: Mr. Secretary?

SEC. PERRY: Yes?

Q: As usual, you've been explicit in outlining your plan, so may I ask a non-related question? Do you plan to use Marines to help the U.N. leave Somalia? And if so, how are you going to use them?

SEC. PERRY: That's being considered. The president has not yet made a final decision on that so I cannot give you a firm answer at this point.

Q: Where is the money going to -- this money that you've allocated over the next six years, where will it come from, given the budget pressures you're under?

SEC. PERRY: This initiative does not represent an assumed increase in the top line of the defense budget. We are taking this out of the defense budget top line

which we have been working against right along.

Therefore, it comes out of other elements of the budget, primarily the modernization account. And I have stated before and I will state again that, to the extent it's necessary to trade off between modernization, on the one hand, and readiness items, on the other, I am prepared to do that in favor of readiness.

Q: Don't you feel you're mortgaging your future by doing that, taking money out of development of high-tech weapons that you'll need in the next century?

SEC. PERRY: I say again that's a matter of priorities, and our priority is readiness. In the last year's budget we reflected the increase in funds for near-term readiness. In this coming year's budget we also want to reflect what I'm calling medium-term readiness, which are these quality-of-life initiatives.

Q: Mr. Secretary, as you're speaking, the soon-to-be House Speaker Gingrich is outlining his plans, and one of the items in the Contract for America was to not only keep defense spending at the same level but to increase it. He has gone on record as saying to increase it, and he's also announcing further initiatives today increasing defense being one of them. What would you say to those people in the military who are looking at this election -- and you mentioned it yourself, that people have worried about a drawdown and their future in the military -- what would you say to those people in the military who look at this and think that this will mean good things for the military ahead, more money?

SEC. PERRY: We are pursuing this initiative, as I said, without assuming any increase in the top line of the defense budget. If that top line -- if the Congress gives a higher top line, that will produce additional funds for additional programs. But we are not making any such assumptions with this program.

Q: But just -- but overall, people would be looking at the Republicans and saying, ah, but they are committing themselves to increasing defense spending overall. In addition, they're also -- Gingrich is also going to say more money for the Star Wars initiative. Should people in the military take some comfort from that?

SEC. PERRY: I'm not ready to make any forecasts on what increases there are going to be, either in the top line of the budget or in programs. I'm anxious to work with the Congress and to work with the Republican leadership on understanding what their plans are in that regard, but as of this point, I do not have anything which I consider firm guidance on that.

Q: Mr. Perry, both you and General Shali have spoken about the importance of continuity here. What do you see happening right away, perhaps in '96, that might improve the quality of life for people? Where are new housing areas going to go in? Can you be at all specific where you think the money should go and how long will it be before you will see more child care available on certain bases? What is the time line here?

SEC. PERRY: The housing initiatives here come in two different categories. One of them involves fixing up housing that already exists, and therefore, you can see the

benefits of those programs much more quickly than the other set of programs which involve building new houses on bases.

But these programs will evolve in the years ahead. Some of them, like the fix-up can be -- we expect to see results of in months, and others, like building new houses, will take longer.

Q: General, could you tell us where you would like to see the money spent? What's your priority?

GENERAL SHALIKASHVILI: First of all, let me, if I may, go back to an earlier question that was asked about mortgaging the future. I hope all of you understand that our future, our people -- and that's why I consider this such a terribly important initiative.

And secondly, as far as housing is concerned, I think we need to look at housing that now does not meet standards, both for single soldiers, sailors, airmen, Marines, and for their families. There is no one geographic area that stands out more than others, but in many places where you go, when you look at them, you will know that they need to be replaced.

Additionally, there is housing out there that if we -- if Secretary Perry had not gone forward with this specific initiative, would have to close because of lack of maintenance money. So it is housing that is spread throughout the force and is not any one geographic area that stands out more than another.

Q: Also overseas? Also overseas?

GEN. SHALIKASHVILI: There's housing overseas that needs to be fixed as well as here, and that applies both to married and to single housing.

Q: Can either review give us --

Q: Mr. Secretary, was there a political event that made you believe that these new initiatives were needed? And is this related at all to the recent several tragic suicides of U.S. troops in Haiti?

SEC. PERRY: No. This event has been -- this initiative has been underway for many months. It goes back really into -- if you go back to my swearing-in ceremony, you will see that I indicated then that I wanted to pay high attention to this area. I've been traveling around bases for months, I've been meeting with the senior enlisted for months getting their opinions on this, and we were putting this program together. So this is the result of a long, detailed, systematic study on what needed to be done. It was not tied to any particular issue or event.

Jack, you had one, and then --

Q: Yes. Can you give us an idea of what percentage this represents compared to all of the money that's already being spent to do these things? Is this a 1-percent bump-up, a 10-percent? It's hard to get a handle on what this really represents when you look at all the rest of it.

SEC. PERRY: (Inaudible word) -- the baseline quality of life programs, about 5 percent.

Q: And so this is a 5 percent increase --

SEC. PERRY: -- Yes.

Q: -- over what you would already be spending.

And secondly, doesn't it represent, with the optempo that you have been experiencing in the last 12 to 24 months, doesn't it represent a recognition that those are putting tremendous strains on your forces and that things were beginning to get frayed at the ends because of that?

SEC. PERRY: It represents an understanding of two major changes that have been occurring. One of them is that we have many more contingency operations than we had three or four years ago. When I visited Europe recently, we met with the troops there and discovered a very profound change in their situation. Five years ago when they were assigned to Europe, they stayed in Europe, stayed at a base for that whole period of time they were deployed there. Now they go to Europe and Europe is used as a forward base for deploying them to other areas, and so the operational tempo is very much higher, for one thing.

Second is a demographic factor, that with the advent of the all-volunteer force, we've had a substantial increase in the number of married servicemen and servicemen with families, and this poses a set of problems in and of itself. For example, the base housing that was adequate for an all-volunteer force is not adequate for -- pardon me -- was adequate for the conscript force is not adequate for the all-volunteer force simply because so many more of them are married but there are no more accommodations for married housing on base. So, those two factors have both had a profound change over a period of many years, 10 or 15 years. It's not something that is -- there's a sudden onset.

Yes?

Q: Mr. Secretary, when you speak of compensation, one of the things you're doing is increasing the housing allowance in high-cost areas. Two-part question: How did you determine what the high-cost areas were? And how much can the average family expect in an increase for such housing?

SEC. PERRY: Mmm-hmm. Fred, would you handle that question please?

FRED PANG (ASSISTANT SECRETARY OF DEFENSE FOR FORCE MANAGEMENT POLICY): Yes, sir. There are about 30,000 people who live in high-cost areas and, you know, the average amount that an individual would receive would be about \$40 all the way up to about \$167.

Q: Per --

MR. PANG: Per month.

Q: What are the areas that you've designated?

MR. PANG: Some of the areas are places like New York, Providence, Rhode Island, Los Angeles, New Haven, Detroit and others, and these are all contained in the bluetop backup that you have.

Q: Mr. Secretary?

SEC. PERRY: This'll have to be the last question.

Q: Can you -- now that the election's over, can you be a little more specific about what modernization accounts that will be the billpayers for this?

SEC. PERRY: I will be, over the period of the next few weeks. What I'm doing is going over our program

decision memorandums, kind of one at a time or in small groups, and making the decisions on -- this is one of them. The modernization issues are still ahead of me, and I expect to have those decided in the next few weeks, and we will be making some further announcements on those.

Q: Will higher --

Q: Mr. Secretary, are you going to fight their efforts to increase Star Wars spending?

SEC. PERRY: I'm not going to hypothesize on that until I know what the proposal is.

Q: Will a higher (top line?) save those programs?

SEC. PERRY: Thank you.

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